

House Study Bill 23

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON UPMEYER)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to provisions of an accident or health policy
2 regarding equal compensation of certain providers of
3 equivalent services and accessibility to certain providers,
4 and providing an effective date.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 1934HC 81
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1 1 Section 1. Section 509.3, Code 2005, is amended by adding
1 2 the following new subsections:
1 3 NEW SUBSECTION. 8. a. No later than January 1, 2008, a
1 4 provision that any services provided by a participating health
1 5 care provider licensed pursuant to chapter 149 or 151, which
1 6 services are provided within the scope of practice of the
1 7 health care provider as that scope of practice is defined
1 8 pursuant to chapter 149 or 151, shall be compensated at the
1 9 same level as equivalent services provided by a participating
1 10 provider licensed in the practice of medicine and surgery
1 11 pursuant to chapter 148 or 150A.
1 12 b. Services shall be deemed equivalent if the services are
1 13 described using the same current procedural terminology codes
1 14 as published by the American medical association, or any
1 15 successor coding system.
1 16 c. For the purposes of the current procedural terminology
1 17 code, or any successor code, which is restricted to use only
1 18 by specific health care providers with the exception of
1 19 providers licensed under chapter 148 or 150A, the same level
1 20 of compensation means the compensation level that has the same
1 21 ratio to the then-current payment levels in the federal
1 22 Medicare resource-based relative value system for those
1 23 restrictive codes as the compensation level for evaluation and
1 24 management services codes, any equivalent code utilized under
1 25 the Medicare resource-based relative value system, or any
1 26 successor coding system has to the current payment levels in
1 27 the federal Medicare resource-based relative value system for
1 28 evaluation and management services codes.
1 29 d. This subsection shall not be interpreted to prohibit a
1 30 policy from reimbursing health care providers licensed
1 31 pursuant to chapter 149 or 151, using a flat fee per visit or
1 32 per case if the fee bears a reasonable relationship to the
1 33 number and types of services provided and if the per visit or
1 34 per case fees are determined in a manner that is consistent
1 35 with the compensation parameters established in paragraph "c".
2 1 NEW SUBSECTION. 9. No later than January 1, 2008, a
2 2 provision that a covered person shall have direct access to
2 3 any participating provider licensed pursuant to section 149 or
2 4 151, selected by the covered person, without prior referral.
2 5 NEW SUBSECTION. 10. No later than January 1, 2008, a
2 6 provision that the person issuing the policy shall ensure an
2 7 adequate number of participating providers to provide
2 8 reasonable accessibility, timeliness of care, convenience, and
2 9 continuity of care to the covered person.
2 10 Sec. 2. Section 509.3, unnumbered paragraph 2, Code 2005,
2 11 is amended to read as follows:
2 12 In addition to the provisions required in subsections 1
2 13 through 7 10, the commissioner shall require provisions
2 14 through the adoption of rules implementing the federal Health
2 15 Insurance Portability and Accountability Act, Pub. L. No.
2 16 104=191.

2 17 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
2 18 2006.

2 19 EXPLANATION

2 20 This bill requires a policy of group accident or health
2 21 insurance or a combination of these that covers certain health
2 22 care services to include a provision that if the services are
2 23 provided by a health care provider licensed to be engaged in
2 24 the practice of podiatry or chiropractic, and the services
2 25 provided are within the scope of practice of the health care
2 26 provider, the services are to be compensated at the same level
2 27 as equivalent services provided by a provider licensed to
2 28 practice medicine and surgery or osteopathic medicine and
2 29 surgery. The bill provides for deeming of services as
2 30 equivalent based on codes published by the American medical
2 31 association, and for determination of the same level of
2 32 compensation based on the federal Medicare resource-based
2 33 relative value system or an equivalent successor coding
2 34 system. The bill does not prohibit the use of a flat fee
2 35 reimbursement system if the compensation is consistent with
3 1 the compensation parameters established in the bill.

3 2 Under the bill, a covered person is required to have direct
3 3 access to a participating provider licensed to be engaged in
3 4 the practice of podiatry or chiropractic rather than being
3 5 subject to prior referral. Additionally, the person issuing
3 6 the policy is to ensure adequate accessibility to
3 7 participating providers.

3 8 The bill takes effect January 1, 2006, and by its terms
3 9 must be implemented by no later than January 1, 2008.

3 10 LSB 1934HC 81

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